

Amendment No. 2 to SB2397

McNally
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 2397*

House Bill No. 2418

By deleting from subsection (f) of the amendatory language of Section 1 of the printed bill the language "and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery" and the language "shall be determined in accordance with § 4-51-111 and".

AND FURTHER AMEND by adding the following new subsections to the amendatory language of Section 1 of the bill:

(k) There is hereby created within the state treasury a fund to be known as the "Tennessee Helping Heroes Scholarship Fund." Moneys shall be deposited into the Tennessee Helping Heroes Scholarship Fund from the lottery for education account established in § 4-51-111. Amounts remaining in the fund at the end of each fiscal year shall not revert to the lottery for education account or the general fund but shall remain in the fund. The state funding board created by § 9-9-101 shall adopt an investment policy for the fund designed to achieve its purpose as an endowment. Moneys in the fund may be invested in the state pooled investment fund established by § 9-4-603, the chairs of excellence endowment fund established by § 49-7-501, any securities authorized in § 9-4-602, or in any securities or classes of securities not specifically authorized in § 9-4-602 which are approved by resolution of the state funding board. All earnings attributable to such investments shall be credited to the Tennessee Helping Heroes Scholarship Fund.

(l) The principal amount of the Tennessee Helping Heroes Scholarship Fund shall equal twenty-four million five hundred thousand dollars (\$24,500,000). On July 1, 2008, the amount of twenty-five million dollars (\$25,000,000) shall be transferred from the lottery for education account to the Tennessee Helping Heroes Scholarship Fund.

(m)

(1) In any year in which the fund balance exceeds the principal amount, the Tennessee student assistance corporation may draw on moneys in the Tennessee Helping Heroes Scholarship Fund in excess of the principal amount to award grants under this scholarship program. All such moneys so expended shall be used to supplement, not supplant, funds enabling citizens of this state to attend postsecondary educational institutions located within this state.

(2) Notwithstanding any provision of § 49-4-903 to the contrary, TSAC shall award Helping Heroes Grants each year on a first come, first served basis until either all eligible applicants have received grants or the excess amount over the fund balance has been expended, whichever occurs first.

(n) The comptroller of the treasury, through the comptroller's office of education accountability, shall review and study the Tennessee Helping Heroes scholarship program to determine the effectiveness of the program in educating veterans. Such study shall be done in the fifth year of the program and every four (4) years thereafter. The comptroller shall report the findings and conclusions of the study to the speakers of the senate and house of representatives and the chairs of the education committees of the senate and the house of representatives.